GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:137
ANSWERED ON:25.04.2016
Subsidy on Petroleum Products
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of subsidy given on retail sale of diesel, PDS kerosene and LPG during the last three years and the current year along with the steps being taken by the Government to reduce fuel subsidy in the country;
(b) the number of people who have given up their LPG subsidy under the "Give it Up" scheme and quantum of subsidy saved as a result thereof, State/UT-wise including Andhra Pradesh;
(c) the number of new subsidised/free of cost LPG connections provided to BPL/ poor/needy people in the country particularly in rural areas during the said period, State/UT-wise including Andhra Pradesh; and
(d) the further steps being taken by the Government to encourage more consumers to give up subsidy as well as to ensure increase in the usage of LPG vis-a-vis other traditional sources of fuel in rural areas?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
_____(SHRI DHARMENDRA PRADHAN) _____
(a): The details of subsidy/under-recovery on Diesel, PDS Kerosene and Domestic LPG since 2012-13 is given in Annexure I. The major steps taken by the Government to reduce the subsidy/ under-recovery burden are given below:
(i) Diesel price was made market determined effective 19th October 2014.
(ii) Petrol price was made market determined effective 26th June 2010.
(iii) The Government has also launched Direct Benefit Transfer Scheme (PAHAL) in the entire country effective 1st January 2015 wherein the subsidy on Domestic LPG is provided only to the eligible consumer directly in their bank account. Further, on 28th December 2015, the Government has decided that the benefit of the LPG subsidy will not be available for LPG consumers if the consumer or his/her spouse had taxable income of more than Rs 10,00,000/- during the previous financial year computed as per the Income Tax Act, 1961.
(iv) The quota of PDS Kerosene has been rationalized over the years resulting in reduction in subsidy.
(b): As on date more than 1 crore LPG customers have given up LPG subsidy under the 'GiveItUp' campaign. The approximate annual subsidy saving is likely to be in the range of Rs. 1668 crore (approx.) assuming an average subsidy of Rs. 139 per cylinder. State/UT-wise number of LPG consumers who have given up their subsidy including Andhra Pradesh is at Annexure-II. (c): The State/UT-wise details of BPL connections released as on 01.03.2016 is at Annexure-III. (d): 'GiveItUp' campaign is a continuous process and wide publicity is given for voluntarily surrender of subsidy. To provide clean fuel to every household in the country, Public Sector Oil Marketing Companies (OMCs) propose to release 10 crore new LPG connections during 2016-19 in mission mode. Out of these 10 crore new connections, 5 crores will be released free of cost to women belonging to the Below Poverty Line (BPL) families under Pradhan Mantri Ujjwala Yojana (PMUY) Scheme.
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